

[116H8204]

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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R. _____

To amend the Social Security Act, the Food and Nutrition Act of 2008, and the Low-Income Home Energy Assistance Act of 1981 to require that the value of children's savings accounts be disregarded for the purpose of determining eligibility to receive benefits under such Acts, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. CARTWRIGHT introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Social Security Act, the Food and Nutrition Act of 2008, and the Low-Income Home Energy Assistance Act of 1981 to require that the value of children's savings accounts be disregarded for the purpose of determining eligibility to receive benefits under such Acts, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Children’s Savings Ac-
3 counts Offer Parents Plenty Of Reasons To Understand
4 and Invest in Tuition Yearly Act” or the “CSA OPPOR-
5 TUNITY Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) CHILDREN’S SAVINGS ACCOUNT PRO-
9 GRAM.—The term “children’s savings account pro-
10 gram” refers to a program created or organized by
11 a State, local, or Federal Government, 501(c)(3)
12 nonprofit organization, a school district, or a college
13 or university for the purpose of creating children’s
14 savings accounts.

15 (2) CHILDREN’S SAVINGS ACCOUNT.—The term
16 “children’s savings account” means a savings or in-
17 vestment account or trust created as part of a chil-
18 dren’s savings account program exclusively for the
19 purpose of paying the qualified expenses of only in-
20 dividuals, who, when the account is created, have not
21 attained 18 years of age, provided that it has the
22 following requirements:

23 (A) If a savings or investment account is
24 created—

25 (i) the account is held in a federally
26 insured financial institution, or a State-in-

1 sured financial institution if a federally in-
2 sured financial institution is not available,
3 or in an investment account by a custodian
4 or third-party owner on behalf of the indi-
5 viduals, if the custodian or third-party
6 owner is a State, local, or Federal Govern-
7 ment, 501(c)(3) nonprofit organization, a
8 school district, or a college or university,

9 (ii) the assets of the account will not
10 be commingled with other property except
11 in a common children's savings account,
12 trust fund, or other common investment
13 fund, and

14 (iii) any amount in the account that is
15 attributable to a seed deposit, matched de-
16 posit, or other incentive provided by the
17 children's savings account program may be
18 paid or distributed from the account only
19 for the purpose of paying qualified ex-
20 penses of the individual.

21 (B) If a trust is created or organized, the
22 written governing instrument creating the trust
23 contains the following requirements:

24 (i) The trust is created on behalf of
25 the individuals, and the trustee is a State,

1 local, or Federal Government, 501(c)(3)
2 nonprofit organization, a school district, or
3 a college or university.

4 (ii) The assets of the trust will be in-
5 vested in accordance with the direction of
6 the trustee.

7 (iii) The assets of the trust will not be
8 commingled with other property except in
9 a common trust fund or common invest-
10 ment fund.

11 (iv) Any amount in the trust that is
12 attributable to a seed deposit, matched de-
13 posit, or other children's savings account
14 program incentive may be paid or distrib-
15 uted from the trust only for the purpose of
16 paying qualified expenses of the individual.

17 (3) QUALIFIED EXPENSES.—The term “quali-
18 fied expenses” means, with respect to an individual,
19 expenses that are—

20 (A) incurred after the individual receives a
21 secondary school diploma or its recognized
22 equivalent, and

23 (B) for—

- 1 (i) postsecondary educational expenses
2 (as defined in section 529 of the Internal
3 Revenue Code of 1986) of the individual,
4 (ii) the purchase of a first home by
5 the individual, or
6 (iii) the capitalization of a business
7 owned by the individual.

8 **TITLE I—AMENDMENTS TO THE**
9 **SOCIAL SECURITY ACT**

10 **SEC. 101. CHILDREN'S SAVINGS ACCOUNT REQUIRED TO BE**
11 **DISREGARDED UNDER THE TANF PROGRAM.**

12 (a) IN GENERAL.—Section 408(a)(13) of the Social
13 Security Act (42 U.S.C. 608(a)), as added by section
14 101(a) of this Act, is amended—

- 15 (1) in the heading, by inserting “, and value of
16 a children’s savings account” after “program”; and
17 (2) by inserting after “1986)” the following:
18 “and the value of any children’s savings account (as
19 defined in section 2 of the CSA OPPORTUNITY
20 Act)”.

21 (b) PENALTY FOR NONCOMPLIANCE.—Section
22 409(a)(17) of such Act (42 U.S.C. 609(a)(17)), as added
23 by section 101(b)(1) of this Act, is amended in the para-
24 graph heading, by inserting “OR VALUE OF A CHILDREN’S
25 SAVINGS ACCOUNT” after “PROGRAM”.

1 **SEC. 102. EXCLUSION OF CHILDREN'S SAVINGS ACCOUNT**
2 **FROM RESOURCES UNDER THE SSI PRO-**
3 **GRAM.**

4 (a) IN GENERAL.—Section 1613(a) of the Social Se-
5 curity Act (42 U.S.C. 1382b(a)), as amended by section
6 102 of this Act, is amended—

7 (1) by striking “and” at the end of paragraph
8 (17);

9 (2) by striking the period at the end of para-
10 graph (18) and inserting “; and”; and

11 (3) by inserting after paragraph (18) the fol-
12 lowing:

13 “(19) any children’s savings account (as defined
14 in section 2 of the CSA OPPORTUNITY Act), in-
15 cluding accrued interest or other earnings thereon.”.

16 (b) CONFORMING AMENDMENT.—Section 1613(e)(5)
17 of such Act (42 U.S.C. 1382b(e)(5)) is amended by insert-
18 ing “of this Act or section 2 of the CSA OPPORTUNITY
19 Act” before the period.

1 **TITLE II—AMENDMENT TO THE**
2 **FOOD AND NUTRITION ACT**
3 **OF 2008**

4 **SEC. 201. EXCLUSION OF CHILDREN’S SAVINGS ACCOUNTS**
5 **FROM RESOURCES UNDER THE SUPPLE-**
6 **MENTAL NUTRITION ASSISTANCE PROGRAM.**

7 Section 5(g) of the Food and Nutrition Act of 2008
8 (7 U.S.C. 2014(g)) is amended by adding at the end the
9 following:

10 “(9) EXCLUSION OF CHILDREN’S SAVINGS AC-
11 COUNTS FROM ALLOWABLE FINANCIAL RE-
12 SOURCES.—

13 “(A) EXCLUSION.—The Secretary shall ex-
14 clude from financial resources under this sub-
15 section the value of funds in any children’s sav-
16 ings account.

17 “(B) CHILDREN’S SAVINGS ACCOUNT.—
18 For purposes of subparagraph (A), the term
19 ‘children’s savings account’ has the meaning
20 given such term in section 2 of the CSA OP-
21 PORTUNITY Act.”.

1 **TITLE III—AMENDMENT TO LOW-**
2 **INCOME HOME ENERGY AS-**
3 **SISTANCE ACT OF 1981**

4 **SEC. 301. EXCLUSION OF CERTAIN ACCOUNTS FROM CAL-**
5 **CULATION UNDER THE LOW-INCOME HOME**
6 **ENERGY ASSISTANCE PROGRAM.**

7 Section 2605(f) of the Low-Income Home Energy As-
8 sistance Act of 1981 (42 U.S.C. 8624(f)) is amended by
9 adding at the end the following:

10 “(3) EXCLUSION OF CERTAIN ACCOUNTS FROM CAL-
11 CULATION.—

12 “(A) EXCLUSION.—The determination of the
13 income or assets of a household for purposes of eligi-
14 bility under this section shall be made without re-
15 gard to the value of funds in any children’s savings
16 account.

17 “(B) CHILDREN’S SAVINGS ACCOUNT.—For
18 purposes of subparagraph (A), the term ‘children’s
19 savings account’ has the meaning given such term in
20 section 2 of the CSA OPPORTUNITY Act.”.